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## MEMORANDUM

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TO: Docket Control

FROM: Ernest G. Johnson  
Director  
Utilities Division

2008 APR 18 P 4:40

AZ CORP COMMISSION  
DOCKET CONTROL

DATE: April 18, 2008

RE: SOUTHERN CALIFORNIA EDISON COMPANY MOTION FOR EXTENSION OF  
TIME TO COMPLY (DOCKET NO. E-20465A-06-0457 – DECISION NO. 69639)

In Decision No. 69639, dated June 6, 2007, the Arizona Corporation Commission ("ACC" or "Commission") ordered Southern California Edison Company ("SCE") to remove "all wires, hardware conductors and ancillary equipment that could energize a second circuit" ("equipment") from the double-circuit towers constructed in connection with SCE's Devers to Palo Verde 1 ("DPV1") transmission line. The Decision ordered that removal of the equipment should be completed by June 6, 2008.

On March 28, 2008, SCE filed an Expedited Request to Extend Deadline for Removal of Equipment. SCE requests that the removal deadline be extended in one of the following manners:

1. Until such time as the pending Superior Court matters are resolved, or
2. Until the Commission has had an opportunity to rule on the reconfigured DPV2 project, or
3. Until 180 days after necessary approvals have been secured from the U.S. Bureau of Land Management ("BLM").

This matter is related to the request by SCE to construct the Devers Palo Verde 2 ("DPV2") line which was denied by the Commission. Both Decision No. 69639 and the DPV2 Decision have been appealed by SCE to the Superior Court. In addition, SCE has begun proceedings at the Federal Energy Regulatory Commission ("FERC") to use FERC's backstop procedures to have the construction of the DPV2 line approved at the Federal level.

Although SCE has appealed the Commission Decisions, SCE has been engaged with Commission Staff and interested Arizona entities in exploring alternatives to the DPV2 line ("Reconfigured DPV2") that would possibly be acceptable to the Commission. At the same time, SCE has been in the process of obtaining the necessary approvals and permits from the BLM to allow SCE to conduct the work necessary to remove the equipment delineated in Decision No. 69639.

Arizona Corporation Commission

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Based on the above, Staff would recommend that SCE be granted an extension of time to remove the equipment until 180 days after (a) the Superior Court matters are resolved including any appeals, or (b) the Commission has ruled on the Reconfigured DPV2 project, whichever is later.

EGJ:KDB:tdp

Originator: Kimberly D. Battista

Attachment

SERVICE LIST FOR: SOUTHERN CALIFORNIA EDISON COMPANY  
DOCKET NO. E-20465A-06-0457

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LAWYERS

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BEFORE THE ARIZONA CORPORATION COMMISSION

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Chairman

WILLIAM MUNDELL  
Commissioner

JEFF HATCH-MILLER  
Commissioner

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In the Matter of the Application of  
Southern California Edison Company,  
Pursuant to A.R.S. §40-252, for an  
Amendment of ACC Decision No. 51170)  
or, in the Alternative, a Declaration of  
no Substantial Change

Docket No: E-20465A-06-0457

Decision No. 69639

**SOUTHERN CALIFORNIA EDISON COMPANY'S  
EXPEDITED REQUEST TO EXTEND DEADLINE  
FOR REMOVAL OF EQUIPMENT**

Decision No. 69639 (the "DPV1 Decision"), which was entered by the Arizona Corporation Commission (the "Commission") on June 6, 2007, ordered Southern California Edison Company ("SCE") to remove "all wires, hardware conductors and ancillary equipment that could energize a second circuit" ("equipment") from the double-circuit towers constructed in connection with SCE's Devers to Palo Verde 1 ("DPV1") transmission line. The DPV1 Decision ordered that removal of the equipment occur within a year from the Decision's effective date—i.e., on or before June 6, 2008. In addition, the DPV1 Decision imposed a \$4.8 million contempt fine on SCE.

1 Subject to the outcome of SCE's pending appeal, SCE has already paid the \$4.8  
2 million contempt fine. SCE requests, however, that the deadline for the required removal  
3 of equipment be extended. In support of this request, SCE respectfully provides as  
4 follows:

5 1. The DPV1 Decision ordering removal of the equipment was a result of  
6 proceedings ancillary to SCE's application to construct a Devers to Palo Verde 2  
7 ("DPV2") transmission line.

8 2. The DPV2 application sought approval to use the second set of conductors  
9 on the DPV1 double-circuit towers in construction of the proposed DPV2 line. The  
10 Commission rejected SCE's DPV2 application.

11 3. SCE has sought review in Superior Court of both the DPV1 Decision and the  
12 Commission's decision denying the DPV2 application. SCE's Superior Court actions  
13 remain pending.

14 4. Since the Commission's adverse decision regarding DPV2, SCE, in  
15 conjunction with Commission Staff and interested Arizona parties in regional transmission  
16 planning groups, have been actively engaged in exploring alternatives under which  
17 approval of a reconfigured DPV2 transmission line may be acceptable to the Commission.  
18 The parties involved believe that progress is being made.

19 5. In addition, because the double-circuit towers are located on federal land,  
20 removal of the equipment is also predicated on receipt of appropriate approvals from the  
21 U.S. Bureau of Land Management ("BLM"), including a special use permit. In support of  
22 obtaining a special use permit with the BLM, SCE is continuing its environmental surveys.  
23 The biological surveys are "time-of-year" sensitive and need to be conducted in the  
24 February, March, April time frame to cover the bloom season of the plants. SCE has also  
25 completed the engineering and planning necessary to select laydown sites, helicopter  
26 landing pads, refueling truck locations, conductor pulling locations, specialized tools, and

1 land that must be leveled or scraped. This engineering and planning was needed to identify  
2 areas that will need environmental review for the BLM special use permit. In addition,  
3 SCE has reserved the crews and tools that will remove the equipment from the towers.

4 6. Extending the deadline for the removal order involves no negative impacts  
5 to the environment or the transmission system. No environmental harm or damage has  
6 resulted from the continued existence of the extra equipment on the double-circuit towers.  
7 Likewise, no environmental harm or damage is threatened by the existence of such  
8 equipment during the extension requested. Conversely, some negative environmental  
9 impacts, albeit minimal, will be inevitable when removing the equipment and other  
10 materials.

11 Timing constraints involved in obtaining a special use permit, coordinating efforts,  
12 developing any possible environmental mitigation, and resolving logistical issues will also  
13 be alleviated by granting the requested extension. For these reasons, SCE requests that the  
14 timeline for removal of equipment from the DPV1 double-circuit towers be extended until  
15 such time as the pending Superior Court matters are resolved or the Commission has had  
16 an opportunity to rule on a reconfigured DPV2 project. Alternatively, at a minimum, SCE  
17 requests that the removal deadline be extended until 180 days after necessary approvals  
18 have been secured from the BLM.

19 Southern California Edison Company asks for expedited consideration of this  
20 request.

21 RESPECTFULLY SUBMITTED this 28<sup>th</sup> day of March, 2008.

22 LEWIS AND ROCA LLP

23 

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